

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2007-0669-PWS-E TCEQ ID: RN101456556 CASE NO.: 33290**  
**RESPONDENT NAME: Sparta Oaks Water Corporation**

Page 1 of 2

|   |  |   |
|---|--|---|
| <b>ORDER TYPE:</b>  |  |   |
| <input checked="" type="checkbox"/> <b>1660 AGREED ORDER</b>  | <input type="checkbox"/> <b>FINDINGS AGREED ORDER</b>              | <input type="checkbox"/> <b>FINDINGS ORDER FOLLOWING<br/>SOAH HEARING</b>       |
| <input type="checkbox"/> <b>FINDINGS DEFAULT ORDER</b>  | <input type="checkbox"/> <b>SHUTDOWN ORDER</b>                     | <input type="checkbox"/> <b>IMMINENT AND SUBSTANTIAL<br/>ENDANGERMENT ORDER</b> |
| <input type="checkbox"/> <b>AMENDED ORDER</b>   | <input type="checkbox"/> <b>EMERGENCY ORDER</b>                    |   |
| <b>CASE TYPE:</b>   |  |   |
| <input type="checkbox"/> <b>AIR</b>   | <input type="checkbox"/> <b>MULTI-MEDIA (check all that apply)</b> | <input type="checkbox"/> <b>INDUSTRIAL AND HAZARDOUS<br/>WASTE</b>              |
| <input checked="" type="checkbox"/> <b>PUBLIC WATER SUPPLY</b>  | <input type="checkbox"/> <b>PETROLEUM STORAGE TANKS</b>            | <input type="checkbox"/> <b>OCCUPATIONAL CERTIFICATION</b>                      |
| <input type="checkbox"/> <b>WATER QUALITY</b>   | <input type="checkbox"/> <b>SEWAGE SLUDGE</b>                      | <input type="checkbox"/> <b>UNDERGROUND INJECTION<br/>CONTROL</b>               |
| <input type="checkbox"/> <b>MUNICIPAL SOLID WASTE</b>   | <input type="checkbox"/> <b>RADIOACTIVE WASTE</b>                  | <input type="checkbox"/> <b>DRY CLEANER REGISTRATION</b>                        |
| <p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Sparta Oaks Water Corporation, 114 South East Street, Bell County</p> <p><b>TYPE OF OPERATION:</b> Public water supply</p> <p><b>SMALL BUSINESS:</b>    <input checked="" type="checkbox"/> Yes    <input type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on September 17, 2007. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b><br/> <b>TCEQ Attorney/SEP Coordinator:</b> None<br/> <b>TCEQ Enforcement Coordinator:</b> Mr. Thomas Barnett, Enforcement Division, Enforcement Team 2, R-12, (713) 767-3680; Mr. David Van Soest, Enforcement Division, MC 219, (512) 239-0468<br/> <b>Respondent:</b> Mr. George Dulany, President, Sparta Oaks Water Corporation, P.O. Box 86, Belton, Texas 76513<br/> <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p> |  |   |

**VIOLATION SUMMARY CHART:**

| VIOLATION INFORMATION  | PENALTY CONSIDERATIONS  | CORRECTIVE ACTIONS<br>TAKEN/REQUIRED   |
|--|---|--|
| <p><b>Type of Investigation:</b><br/> <input type="checkbox"/> Complaint<br/> <input checked="" type="checkbox"/> Routine<br/> <input type="checkbox"/> Enforcement Follow-up<br/> <input type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> March 22, 2007</p> <p><b>Date of NOE Relating to this Case:</b> April 16, 2007 (NOE)</p> <p><b>Background Facts:</b> This was a routine investigation. Four violations were documented.</p> <p><b>WATER</b></p> <p>1) Failure to obtain a purchase water contract authorizing a maximum hourly purchase rate of at least 2.0 gallons per minute ("gpm") per connection. Specifically, the Facility did not have a contract, memorandum, or letter of understanding to purchase water from Bell County WCID and the Facility has no other sources of supplying treated water, therefore it has no production or service pump capacity, a 100% deficiency [30 TEX. ADMIN. CODE § 290.45(f)(4)].</p> <p>2) Failure to provide water system records to be reviewed at the time of the investigation. Specifically, at the time of the investigation the facility did not have monthly operating reports, a chemical and biological monitoring plan, or customer service agreements available for review [30 TEX. ADMIN. CODE § 290.46(f)(2)].</p> <p>3) Failure to maintain and make available an up-to-date map of the distribution system to help locate valves and mains during an emergency [30 TEX. ADMIN. CODE § 290.46(n)(2)].</p> <p>4) Failure to provide an up-to-date and thorough plant operations manual for operator review and reference [30 TEX. ADMIN. CODE § 290.42(l)].</p> | <p><b>Total Assessed:</b> \$787</p> <p><b>Total Deferred:</b> \$157<br/> <input checked="" type="checkbox"/> Expedited Settlement<br/> <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$0</p> <p><b>Total Paid to General Revenue:</b> \$630</p> <p><b>Site Compliance History Classification</b><br/> <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Person Compliance History Classification</b><br/> <input type="checkbox"/> High <input type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p><b>Major Source:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> | <p><b>Ordering Provisions:</b></p> <p>The Order will require the Respondent to:</p> <p>a. Within 30 days after the effective date of this Agreed Order;</p> <p>i. Develop and begin maintaining monthly operating reports, a chemical and microbiological monitoring plan, and customer service agreements;</p> <p>ii. Develop and begin maintaining an up-to-date map of the distribution system; and</p> <p>iii. Compile and begin maintaining an up-to-date and thorough plant operations manual for operator review and reference.</p> <p>b. Within 45 days after the effective date of this Agreed Order, submit written certification that demonstrates compliance with Ordering Provisions a.i. through a.iii.</p> <p>c. Within 180 days after the effective date of this Agreed Order, obtain a purchase water contract, memorandum, or letter of understanding from the water wholesaler authorizing a maximum hourly purchase rate of at least 2.0 gpm; and</p> <p>d. Within 195 days after the effective date of this Agreed Order, submit written certification including detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision c.</p> |



# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision March 19, 2007

**TCEQ**

|              |                 |             |                  |             |                |  |
|--------------|-----------------|-------------|------------------|-------------|----------------|--|
| <b>DATES</b> | <b>Assigned</b> | 23-Apr-2007 | <b>Screening</b> | 24-Apr-2007 | <b>EPA Due</b> |  |
|              | <b>PCW</b>      | 23-Apr-2007 |                  |             |                |  |

## RESPONDENT/FACILITY INFORMATION

|                             |                               |                                 |
|-----------------------------|-------------------------------|---------------------------------|
| <b>Respondent</b>           | Sparta Oaks Water Corporation |                                 |
| <b>Reg. Ent. Ref. No.</b>   | RN101456556                   |                                 |
| <b>Facility/Site Region</b> | 9-Waco                        | <b>Major/Minor Source</b> Minor |

## CASE INFORMATION

|                   |  |                     |      |                   |         |                    |  |
|-------------------|--|---------------------|------|-------------------|---------|--------------------|--|
| Enf./Case ID No.  |  | 33290               |      | No. of Violations |         | 4                  |  |
| Docket No.        |  | 2007-0669-PWS-E     |      | Order Type        |         | 1660               |  |
| Media Program(s)  |  | Public Water Supply |      | Enf. Coordinator  |         | Christopher Miller |  |
| Multi-Media       |  |                     |      | EC's Team         |         | EnforcementTeam 2  |  |
| Admin. Penalty \$ |  | Limit Minimum       | \$50 | Maximum           | \$1,000 |                    |  |

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** \$750

### ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** 5% Enhancement **Subtotals 2, 3, & 7** \$37

**Notes** Enhancement due to one previous Notice of Violation ("NOV") with violations the same as those in the current enforcement case.

**Culpability** No 0% Enhancement **Subtotal 4** \$0

**Notes** The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply** 0% Reduction **Subtotal 5** \$0

Before NOV NOV to EDRP/Settlement Offer

|                      |   |               |
|----------------------|---|---------------|
| <b>Extraordinary</b> |   |               |
| <b>Ordinary</b>      |   |               |
| <b>N/A</b>           | X | (mark with x) |

**Notes** The Respondent does not meet the good faith criteria.

0% Enhancement\* **Subtotal 6** \$0

|                                   |         |
|-----------------------------------|---------|
| <b>Total EB Amounts</b>           | \$132   |
| <b>Approx. Cost of Compliance</b> | \$2,950 |

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7** **Final Subtotal** \$787

**OTHER FACTORS AS JUSTICE MAY REQUIRE** **Adjustment** \$0

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

**Notes**

**Final Penalty Amount** \$787

**STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** \$787

**DEFERRAL** 20% Reduction **Adjustment** -\$157

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

**Notes**

Deferral offered for expedited settlement.

**PAYABLE PENALTY** \$630

Screening Date 24-Apr-2007

Docket No. 2007-0669-PWS-E

PCW

Respondent Sparta Oaks Water Corporation

Policy Revision 2 (September 2002)

Case ID No. 33290

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101456556

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

| Component                     | Number of...   | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs                          | Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)  | 1                 | 5%      |
|                               | Other written NOVs   | 0                 | 0%      |
| Orders                        | Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)   | 0                 | 0%      |
|                               | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 0                 | 0%      |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria)  | 0                 | 0%      |
|                               | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government  | 0                 | 0%      |
| Convictions                   | Any criminal convictions of this state or the federal government (number of counts)  | 0                 | 0%      |
| Emissions                     | Chronic excessive emissions events (number of events)  | 0                 | 0%      |
| Audits                        | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)              | 0                 | 0%      |
|                               | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)   | 0                 | 0%      |
| Please Enter Yes or No        |  |                   |         |
| Other                         | Environmental management systems in place for one year or more   | No                | 0%      |
|                               | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program  | No                | 0%      |
|                               | Participation in a voluntary pollution reduction program   | No                | 0%      |
|                               | Early compliance with, or offer of a product that meets future state or federal government environmental requirements  | No                | 0%      |

Adjustment Percentage (Subtotal 2) 5%

## &gt;&gt; Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance History Notes

Enhancement due to one previous Notice of Violation ("NOV") with violations the same as those in the current enforcement case.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 5%

Screening Date 24-Apr-2007

Docket No. 2007-0669-PWS-E

PCW

Respondent Sparta Oaks Water Corporation

Policy Revision 2 (September 2002)

Case ID No. 33290

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101456556

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 290.45(f)(4)

Violation Description

Failed to obtain a purchase water contract authorizing a maximum hourly purchase rate of at least 2.0 gallons per minute ("gpm") per connection. Specifically, the Facility did not have a contract, memorandum, or letter of understanding to purchase water from Bell County WCID and the Facility has no other sources of supplying treated water, therefore it has no production or service pump capacity, a 100% deficiency.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

| Release   | Harm  |          |       |
|-----------|-------|----------|-------|
|           | Major | Moderate | Minor |
| Actual    |       |          |       |
| Potential | x     |          |       |

Percent 25%

## &gt;&gt; Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
|               |       |          |       |

Percent 0%

Matrix Notes

The lack of adequate service pump and production capacity could result in water outages and the system's ability to provide a safe and adequate water supply could be compromised.

Adjustment \$750

\$250

## Violation Events

Number of Violation Events 2

34 Number of violation days

|                            |              |   |
|----------------------------|--------------|---|
| mark only one<br>with an x | daily        |   |
|                            | monthly      | x |
|                            | quarterly    |   |
|                            | semiannual   |   |
|                            | annual       |   |
|                            | single event |   |

Violation Base Penalty \$500

Two monthly events are recommended calculated from the March 22, 2007 investigation date to the April 24, 2007 screening date.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$29

Violation Final Penalty Total \$525

This violation Final Assessed Penalty (adjusted for limits) \$525

## Economic Benefit Worksheet

**Respondent:** Sparta Oaks Water Corporation  
**Case ID No.:** 33290  
**Reg. Ent. Reference No.:** RN101456556  
**Media:** Public Water Supply  
**Violation No.:** 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|

No commas or \$

### Delayed Costs

|                          |       |             |             |     |      |     |      |
|--------------------------|-------|-------------|-------------|-----|------|-----|------|
| Equipment                |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Buildings                |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Other (as needed)        |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Engineering/construction |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Land                     |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Record Keeping System    |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Training/Sampling        |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Remediation/Disposal     |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Permit Costs             |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Other (as needed)        | \$500 | 22-Mar-2007 | 23-May-2008 | 1.2 | \$29 | n/a | \$29 |

Notes for DELAYED costs

Estimated cost to obtain a purchase water contract. Date required is the date of the investigation. Final date is the estimated date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |     |     |     |     |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal                      |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

Approx. Cost of Compliance \$500

**TOTAL** \$29

Screening Date 24-Apr-2007

Docket No. 2007-0669-PWS-E

PCW

Respondent Sparta Oaks Water Corporation

Policy Revision 2 (September 2002)

Case ID No. 33290

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101456556

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 290.46(f)(2)

Violation Description

Failed to provide water system records to be reviewed at the time of the investigation. Specifically, at the time of the investigation the facility did not have monthly operating reports, a chemical and biological monitoring plan, or customer service agreements available for review.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

| Release   | Harm  |          |       |
|-----------|-------|----------|-------|
|           | Major | Moderate | Minor |
| Actual    |       |          |       |
| Potential |       |          |       |

Percent 0%

## &gt;&gt; Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
|               |       | X        |       |

Percent 5%

Matrix Notes

Approximately 50% of the rule requirement was not met.

Adjustment \$950

\$50

## Violation Events

Number of Violation Events 1

34 Number of violation days

mark only one  
with an x

|              |   |
|--------------|---|
| daily        |   |
| monthly      |   |
| quarterly    |   |
| semiannual   |   |
| annual       |   |
| single event | X |

Violation Base Penalty \$50

One single event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$42

Violation Final Penalty Total \$52

This violation Final Assessed Penalty (adjusted for limits) \$52



## Economic Benefit Worksheet

Respondent: Sparta Oaks Water Corporation  
 Case ID No: 33290  
 Reg. Ent. Reference No: RN101456556  
 Media: Public Water Supply  
 Violation No: 2

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$  |           |               |            |     |                |               |           |

### Delayed Costs

|                          |         |             |             |     |      |     |      |
|--------------------------|---------|-------------|-------------|-----|------|-----|------|
| Equipment                |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Buildings                |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Other (as needed)        |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Engineering/construction |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Land                     |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Record Keeping System    |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Training/Sampling        |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Remediation/Disposal     |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Permit Costs             |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Other (as needed)        | \$1,000 | 22-Mar-2007 | 23-Jan-2008 | 0.8 | \$42 | n/a | \$42 |

Notes for DELAYED costs

Estimated cost to create and maintain the required reports. Date required is the date of the investigation. Final date is the estimated date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |     |     |     |     |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal                      |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

Approx. Cost of Compliance \$1,000
TOTAL \$42



Screening Date 24-Apr-2007

Docket No. 2007-0669-PWS-E

PCW

Respondent Sparta Oaks Water Corporation

Policy Revision 2 (September 2002)

Case ID No. 33290

PCW Revision March 19, 2007

Reg. Ent. Reference No. RN101456556

Media [Statute] Public Water Supply

Enf. Coordinator Christopher Miller

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 290.46(n)(2)

Violation Description

Failed to maintain and make available an up-to-date map of the distribution system to help locate valves and mains during an emergency.

Base Penalty \$1,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

| Release   | Harm  |          |       |
|-----------|-------|----------|-------|
|           | Major | Moderate | Minor |
| Actual    |       |          |       |
| Potential |       |          |       |

Percent 0%

## &gt;&gt; Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
|               | x     |          |       |

Percent 10%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$900

\$100

## Violation Events

Number of Violation Events 1

34 Number of violation days

mark only one  
with an x

|              |   |
|--------------|---|
| daily        |   |
| monthly      |   |
| quarterly    |   |
| semiannual   |   |
| annual       |   |
| single event | x |

Violation Base Penalty \$100

One single event is recommended.

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$50

Violation Final Penalty Total \$105

This violation Final Assessed Penalty (adjusted for limits) \$105

## Economic Benefit Worksheet

**Respondent:** Sparta Oaks Water Corporation  
**Case ID No.:** 33290  
**Reg. Ent. Reference No.:** RN101456556  
**Media:** Public Water Supply  
**Violation No.:** 3

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|

No commas or \$

### Delayed Costs

|                          |         |             |             |     |      |     |      |
|--------------------------|---------|-------------|-------------|-----|------|-----|------|
| Equipment                |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Buildings                |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Other (as needed)        |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Engineering/construction |         |             |             | 0.0 | \$0  | \$0 | \$0  |
| Land                     |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Record Keeping System    |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Training/Sampling        |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Remediation/Disposal     |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Permit Costs             |         |             |             | 0.0 | \$0  | n/a | \$0  |
| Other (as needed)        | \$1,200 | 22-Mar-2007 | 23-Jan-2008 | 0.8 | \$50 | n/a | \$50 |

Notes for DELAYED costs

Estimated cost to survey, prepare and submit a distribution map. Date required is the date of the investigation. Final date is the date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |     |     |     |     |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal                      |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

|                            |         |       |      |
|----------------------------|---------|-------|------|
| Approx. Cost of Compliance | \$1,200 | TOTAL | \$50 |
|----------------------------|---------|-------|------|

|                                |   |                                    |                 |            |
|--------------------------------|---|------------------------------------|-----------------|------------|
| <b>Screening Date</b>          | 24-Apr-2007   | <b>Docket No.</b>                  | 2007-0669-PWS-E | <b>PCW</b> |
| <b>Respondent</b>              | Sparta Oaks Water Corporation   | Policy Revision 2 (September 2002) |                 |            |
| <b>Case ID No.</b>             | 33290   | PCW Revision March 19, 2007        |                 |            |
| <b>Reg. Ent. Reference No.</b> | RN101456556   |                                    |                 |            |
| <b>Media [Statute]</b>         | Public Water Supply   |                                    |                 |            |
| <b>Enf. Coordinator</b>        | Christopher Miller  |                                    |                 |            |
| <b>Violation Number</b>        | 4   |                                    |                 |            |
| <b>Rule Cite(s)</b>            | 30 Tex. Admin. Code § 290.42(l)   |                                    |                 |            |
| <b>Violation Description</b>   | Failed to provide an up-to-date and thorough plant operations manual for operator review and reference. |                                    |                 |            |
| <b>Base Penalty</b>            |   |                                    |                 | \$1,000    |

**>> Environmental, Property and Human Health Matrix**

|    |           |                      |                      |                      |   |
|----|-----------|----------------------|----------------------|----------------------|---|
| OR |           | Harm                 |                      |                      |   |
|    | Release   | Major                | Moderate             | Minor                |   |
|    | Actual    | <input type="text"/> | <input type="text"/> | <input type="text"/> |   |
|    | Potential | <input type="text"/> | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="0%"/> |

**>> Programmatic Matrix**

|                      |               |                      |                      |  |  |
|----------------------|---------------|----------------------|----------------------|--|--|
|                      | Falsification | Major                | Moderate             | Minor                                    |  |
| <input type="text"/> | x             | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="10%"/> |  |

**Matrix Notes**

100% of the rule requirement was not met.

**Adjustment**

**Violation Events**

|                            |                                |                                 |                          |
|----------------------------|--------------------------------|---------------------------------|--------------------------|
| Number of Violation Events | <input type="text" value="1"/> | <input type="text" value="34"/> | Number of violation days |
|----------------------------|--------------------------------|---------------------------------|--------------------------|

|                            |              |                      |  |
|----------------------------|--------------|----------------------|--|
| mark only one<br>with an x | daily        | <input type="text"/> |  |
|                            | monthly      | <input type="text"/> |  |
|                            | quarterly    | <input type="text"/> |  |
|                            | semiannual   | <input type="text"/> |  |
|                            | annual       | <input type="text"/> |  |
|                            | single event | x                    |  |

One single event is recommended.

**Violation Base Penalty**

|  |  |
|--|--|
| <b>Economic Benefit (EB) for this violation</b>  | <b>Statutory Limit Test</b>                                      |
| Estimated EB Amount <input type="text" value="\$11"/>  | Violation Final Penalty Total <input type="text" value="\$105"/> |
| This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$105"/> |  |

## Economic Benefit Worksheet

Respondent: Sparta Oaks Water Corporation  
 Case ID No: 33290  
 Reg. Ent: Reference No: RN101456556  
 Media: Public Water Supply  
 Violation No: 4

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0              | 15                    |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$  |           |               |            |     |                |               |           |

### Delayed Costs

|                          |       |             |             |     |      |     |      |
|--------------------------|-------|-------------|-------------|-----|------|-----|------|
| Equipment                |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Buildings                |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Other (as needed)        |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Engineering/construction |       |             |             | 0.0 | \$0  | \$0 | \$0  |
| Land                     |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Record Keeping System    |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Training/Sampling        |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Remediation/Disposal     |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Permit Costs             |       |             |             | 0.0 | \$0  | n/a | \$0  |
| Other (as needed)        | \$250 | 22-Mar-2007 | 23-Jan-2008 | 0.8 | \$11 | n/a | \$11 |

Notes for DELAYED costs

Estimated cost to create a plant operations manual. Date required is the date of the investigation. Final date is the estimated date of compliance.

### Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

|                               |  |  |  |     |     |     |     |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal                      |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Personnel                     |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment            |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2]       |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3]    |  |  |  | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed)             |  |  |  | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

There are no avoided costs associated with this violation.

Approx. Cost of Compliance

\$250

TOTAL

\$11

# Compliance History

|   |   |                               |                 |                    |
|---|---|-------------------------------|-----------------|--------------------|
| Customer/Respondent/Owner-Operator:   | CN600653448                                   | Sparta Oaks Water Corporation | Classification: | Rating:            |
| Regulated Entity:   | RN101456556                                   | SPARTA OAKS WATER CORP        | Classification: | Site Rating:       |
| ID Number(s):   | PUBLIC WATER SYSTEM/SUPPLY<br>WATER LICENSING | REGISTRATION<br>LICENSE       |                 | 0140168<br>0140168 |
| Location:   | 114 SOUTH EAST STREET, BELL COUNTY, TEXAS     |                               |                 |                    |
| TCEQ Region:  | REGION 09 - WACO                              |                               |                 |                    |
| Date Compliance History Prepared:   | April 23, 2007                                |                               |                 |                    |
| Agency Decision Requiring Compliance History:   | Enforcement                                   |                               |                 |                    |
| Compliance Period:  | April 23, 2002 to April 23, 2007              |                               |                 |                    |
| TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History |   |                               |                 |                    |
| Name:   | Christopher Miller                            | Phone:                        | 512-239-6580    |                    |

## Site Compliance History Components

- |  |     |
|--|-----|
| 1. Has the site been in existence and/or operation for the full five year compliance period? | Yes |
| 2. Has there been a (known) change in ownership of the site during the compliance period?    | No  |
| 3. If Yes, who is the current owner?   | N/A |
| 4. If Yes, who was/were the prior owner(s)?  | N/A |
| 5. When did the change(s) in ownership occur?  | N/A |

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.  
N/A
- B. Any criminal convictions of the state of Texas and the federal government.  
N/A
- C. Chronic excessive emissions events.  
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)  

|   |            |          |
|---|------------|----------|
| 1 | 08/27/2002 | (5555)   |
| 2 | 04/18/2007 | (554338) |
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)  

|                 |  |        |
|-----------------|--|--------|
| Date:           | 08/21/2002   | (5555) |
| Self Report?    | NO   |        |
| Citation:       | 30 TAC Chapter 290, SubChapter D 290.45(f)(4)<br>30 TAC Chapter 290, SubChapter D 290.45(f)(5)   |        |
| Description:    | Failure to meet this agency's "Minimum Water System Capacity Requirements" to include an adequate production capacity and service pump capacity. |        |
| Classification: | Minor  |        |
- F. Environmental audits.  
N/A
- G. Type of environmental management systems (EMSs).  
N/A
- H. Voluntary on-site compliance assessment dates.  
N/A
- I. Participation in a voluntary pollution reduction program.  
N/A
- J. Early compliance.  
N/A
- Sites Outside of Texas

N/A

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
SPARTA OAKS WATER  
CORPORATION  
RN101456556

§ BEFORE THE  
§  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY

## AGREED ORDER DOCKET NO. 2007-0669-PWS-E

### I. JURISDICTION AND STIPULATIONS

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Sparta Oaks Water Corporation ("Sparta Oaks") under the authority of TEX. HEALTH & SAFETY CODE ch. 341. The Executive Director of the TCEQ, through the Enforcement Division, and Sparta Oaks appear before the Commission and together stipulate that:

1. Sparta Oaks owns and operates a public water supply at 114 South East Street, Bell County, Texas (the "Facility") that has approximately 22 service connections and serves at least 25 people per day for at least 60 days per year.
2. The Commission and Sparta Oaks agree that the Commission has jurisdiction to enter this Agreed Order, and that Sparta Oaks is subject to the Commission's jurisdiction.
3. Sparta Oaks received notice of the violations alleged in Section II ("Allegations") on or about April 21, 2007.
4. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Sparta Oaks of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
5. An administrative penalty in the amount of Seven Hundred Eighty-Seven Dollars (\$787) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Sparta Oaks has paid Six Hundred Thirty Dollars (\$630) of the administrative penalty and One Hundred Fifty-Seven Dollars (\$157) is deferred contingent upon Sparta Oaks' timely and





satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Sparta Oaks fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Sparta Oaks to pay all or part of the deferred penalty.

6. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
7. The Executive Director of the TCEQ and Sparta Oaks have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
8. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Sparta Oaks has not complied with one or more of the terms or conditions in this Agreed Order.
9. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
10. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Facility, Sparta Oaks is alleged to have:

1. Failed to obtain a purchase water contract authorizing a maximum hourly purchase rate of at least 2.0 gallons per minute ("gpm") per connection, in violation of 30 TEX. ADMIN. CODE § 290.45(f)(4), as documented during an investigation conducted on March 22, 2007.
2. Failed to provide water system records to be reviewed at the time of the investigation, in violation of 30 TEX. ADMIN. CODE § 290.46(f)(2), as documented during an investigation conducted on March 22, 2007.
3. Failed to maintain and make available an up-to-date map of the distribution system to help locate valves and mains during an emergency, in violation of 30 TEX. ADMIN. CODE § 290.46(n)(2), as documented during an investigation conducted on March 22, 2007.
4. Failed to provide an up-to-date and thorough plant operations manual for operator review and reference, in violation of 30 TEX. ADMIN. CODE § 290.42(l), as documented during an investigation conducted on March 22, 2007.



### III. DENIALS

Sparta Oaks generally denies each allegation in Section II ("Allegations").

### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Sparta Oaks pay an administrative penalty as set forth in Section I, Paragraph 5 above. The payment of this administrative penalty and Sparta Oaks' compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Sparta Oaks Water Corporation, Docket No. 2007-0669-PWS-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. It is further ordered that Sparta Oaks shall undertake the following technical requirements:
  - a. Within 30 days after the effective date of this Agreed Order;
    - i. Develop and begin maintaining monthly operating reports, a chemical and microbiological monitoring plan, and customer service agreements, in accordance with 30 TEX. ADMIN. CODE § 290.46;
    - ii. Develop and begin maintaining an up-to-date map of the distribution system, in accordance with 30 TEX. ADMIN. CODE § 290.46; and
    - iii. Compile and begin maintaining an up-to-date and thorough plant operations manual for operator review and reference, in accordance with 30 TEX. ADMIN. CODE § 290.42.
  - b. Within 45 days after the effective date of this Agreed Order, submit written certification as described below in Ordering Provision 2.d., that demonstrates compliance with Ordering Provisions 2.a.i. through 2.a.iii.
  - c. Within 180 days after the effective date of this Agreed Order, obtain a purchase water contract, memorandum, or letter of understanding from the water wholesaler authorizing a maximum hourly purchase rate of at least 2.0 gpm, in accordance with 30 TEX. ADMIN. CODE § 290.45.
  - d. Within 195 days after the effective date of this Agreed Order, submit written certification as described below, and include detailed supporting documentation including



photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 2.c. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Public Water Supply Section, Manager  
Waco Regional Office  
Texas Commission on Environmental Quality  
6801 Sanger Avenue, Suite 2500  
Waco, Texas 76710-7826

3. The provisions of this Agreed Order shall apply to and be binding upon Sparta Oaks. Sparta Oaks is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Sparta Oaks shall be made in writing to the Executive Director. Extensions are not effective until Sparta Oaks receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. This Agreed Order, issued by the Commission, shall not be admissible against Sparta Oaks in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
6. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.





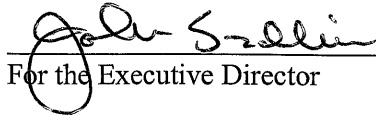
7. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Sparta Oaks, or three days after the date on which the Commission mails notice of the Order to Sparta Oaks, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.



## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
For the Executive Director


9/16/07  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

7-10-07  
Date

GEORGE DULANY  
Name (Printed or typed)  
Authorized Representative of  
Sparta Oaks Water Corporation

PRESIDENT  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

